

Message Text

LIMITED OFFICIAL USE

PAGE 01 RIO DE 00118 101504Z

51

ACTION ARA-20

INFO OCT-01 ISO-00 AF-10 INT-08 AID-20 CIAE-00 COME-00

EB-11 FRB-02 INR-10 NSAE-00 RSC-01 TRSE-00 XMB-07

OPIC-12 SPC-03 CIEP-02 LAB-06 SIL-01 OMB-01 STR-08

DODE-00 PM-07 H-03 L-03 NSC-10 PA-04 PRS-01 SS-20

USIA-15 NEA-10 SCI-06 SCEM-02 DRC-01 /205 W

----- 063863

R 101443Z JAN 74

FM AMCONSUL RIO DE JANEIRO

TO SECSTATE WASHDC 9952

INFO AMEMBASSY BRASILIA

LIMITED OFFICIAL USE RIO DE JANEIRO 0118

E.O. 11652: N/A

TAGS: ENRG, LY, BR

SUBJECT: PETROLEUM: BUNKER HUNT NATIONALIZATION

REF: RIO 3606 AND PREVIOUS.

1. JANUARY 8 O GLOBO OF RIO REPORTS THAT GUANABARA STATE TRIBUNAL OF JUSTICE (STATE COURT OF APPEALS) HAS NOW DETERMINED THAT THE FEDERAL RATHER THAN STATE JUDICIARY HAS LEGAL COMPETENCE TO HEAR ARGUMENTS IN THE BP/BUNKER HUNT ACTION AGAINST PETROBRAS FOR IMPORTATION OF LIBYAN PETROLEUM. STATE COURT HAD MATTER UNDER CONSIDERATION SINCE LATE SEPTEMBER, 1973, AS RESULT OF EFFORTS BY BP/ BUNKER HUNT TO KEEP CASE IN THE STATE SYSTEM.

2. BP/BUNKER HUNT LEGAL REP IN RIO HAS CONFIRMED SUBSTANCE OF DECISION. HE SAID THAT STATE COURT ACTION DOES NOT DETERMINE IN FINAL FORM WHERE JURISDICTION RESTS BUT WAS TAKEN SOLELY ON THE BASIS THAT THE FEDERAL GOVERNMENT HAS A RIGHT TO BE HEARD IN ITS OWN COURTS CONCERNING WHETHER
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 RIO DE 00118 101504Z

IT CAN BE A PARTY TO A SUIT. ACCORDING TO PRESS REPORT,

A FEDERAL ASSISTANT ATTORNEY, IN SUPPORTING TRANSFER OF ACTION TO FEDERAL COURTS, SAID THE GOVERNMENT HAD, AS AN INTERESTED PARTY ("ASSISTENTE"), INTERVIEWED IN THE SUIT FILED AGAINST PETROBRAS. HE ALSO DESCRIBED PETROBRAS' IMPORTATION OF LIBYAN CRUDE AS A TRANSACTION BETWEEN A STATE COMPANY AND ANOTHER STATE ENTITY, THE LIBYAN ARABIAN GULF EXPLORATION COMPANY.

3. ACTION WILL NOW APPARENTLY MOVE MORE OR LESS AUTOMATICALLY INTO FEDERAL COURT SYSTEM. STILL OPEN IS QUESTION OF WHETHER CASE WILL GO DIRECTLY TO FEDERAL COURT OF APPEALS OR MUST BE HEARD IN A FEDERAL COURT OF THE FIRST INSTANCE. IN ANY EVENT, TECHNICALLY THE LEGAL ISSUES OF JURISDICTION AND GOVT LIABILITY TO SUIT REMAIN UNRESOLVED. SPEEDY ACTION IN SETTTLING THESE ASPECTS OF THE CASE, LET ALONE THE SUBSTANTIVE ISSUES OF THE CASE, IS NOT EXPECTED.
BOONSTRA

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NATIONALIZATION, PETROLEUM INDUSTRY, LITIGATION, IMPORTS, PETROLEUM, COURTS, GOVERNMENT CORPORATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974RIODE00118
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: RIO DE JANEIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740150/aaaabvnf.tel
Line Count: 79
Locator: TEXT ON-LINE
Office: ACTION ARA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: RIO 3606 AND PREVIOUS.
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 09 SEP 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <09 SEP 2002 by kelleyw0>; APPROVED <10-Sep-2002 by MorefiRH>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PETROLEUM: BUNKER HUNT NATIONALIZATION
TAGS: ENRG, LY, BR, PETROBRAS, BP/BUNKER HUNT
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005